



The President's Daily Brief

March 24, 1976

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Table of Contents

Argentina: The long-expected armed forces coup against President Peron took place early this morning. (Page 1)

Lebanon: Syria has persuaded the Phalangists and some Muslim leaders to agree to a cease-fire, but leftist leader Jumblatt has not accepted the agreement. (Page 2)

USSR: The Soviets are telling their domestic audience of Washington's dissatisfaction with some of Moscow's foreign policy moves and the adverse effect on Soviet-US relations. (Page 4)

Portugal: The Revolutionary Council met yesterday to discuss postponing legislative elections, now scheduled for April 25. (Page 5)

USSR: The Soviet Union continues to grapple with the problems posed by the independent-minded Western Communist parties. (Page 6)

Notes: China-Laos; Egypt; Rhodesia (Pages 7 and 8)

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ARGENTINA

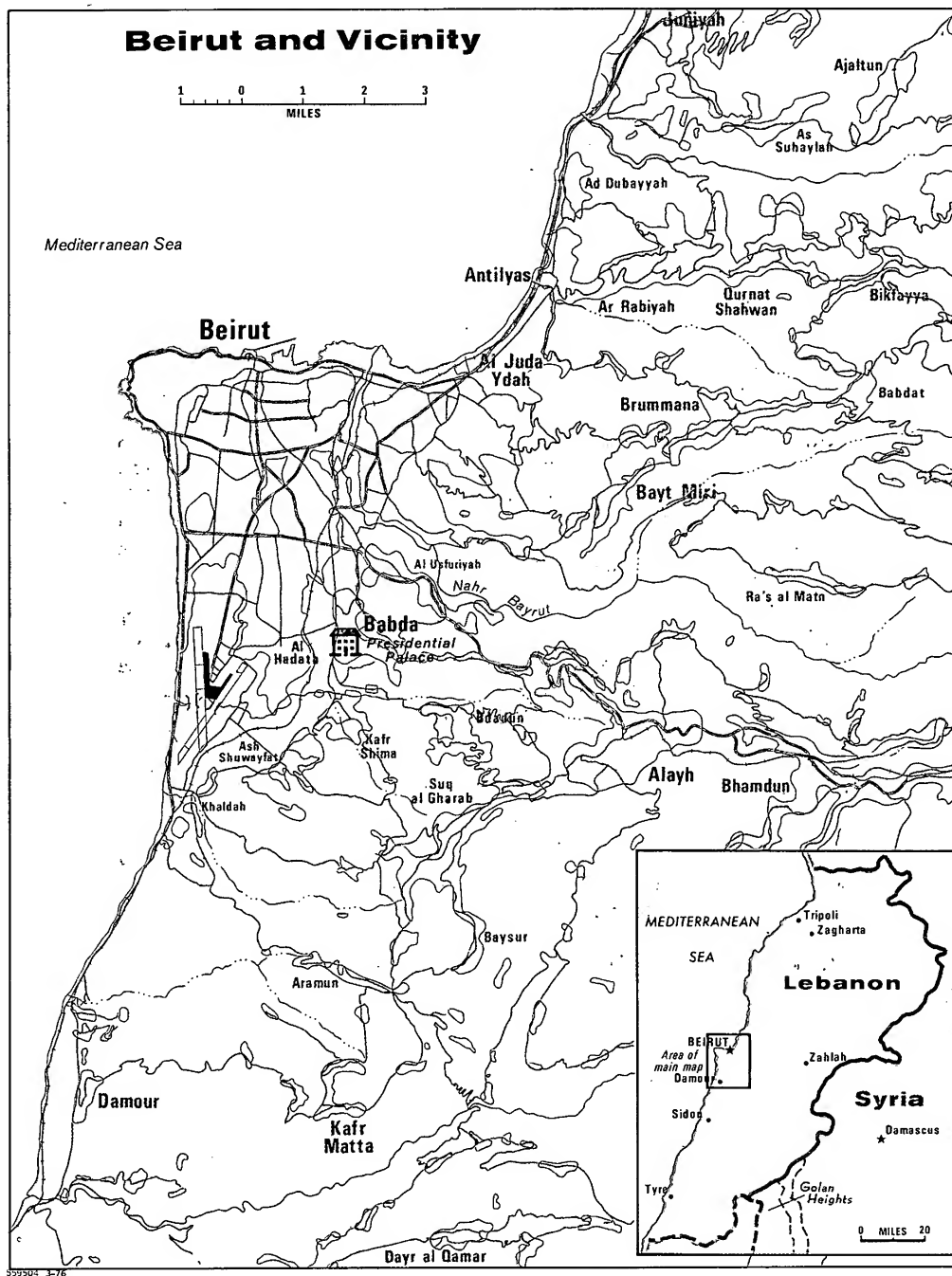
The armed forces early this morning put the finishing touches on their long-expected coup against President Maria Estela Peron, who is now under detention. A junta composed of the three service chiefs and probably led by army commander in chief General Jorge Rafael Videla is to assume executive authority.

The armed forces moved methodically to establish their control, deploying troops along major roads and occupying provincial cities. Late last night troops were patrolling the streets of Buenos Aires. Most Argentines had long since come to regard Peron's ouster as inevitable, and the US embassy reported last night that civilian activity in the capital was normal, indicating no great concern over the coup.

The new government inherits a deteriorated economy, widespread terrorist violence, and monumental political divisions. There are significant differences within the military over how to solve these problems.

The bulk of the officers seem to favor a market economy that can attract foreign investment, but some apparently advocate more nationalist economic policies. Videla and those close to him are thought to favor relatively limited restrictions on political activity. The very magnitude of the nation's problems, however, could strengthen the arguments of those officers who believe that far stricter controls on national life are needed.

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LEBANON

Syrian mediators reportedly persuaded the Christian Phalangists and leaders of some Muslim forces to agree to a cease-fire late yesterday, but leftist leader Kamal Jumblatt apparently has not accepted the agreement. The Syrians suspect that Jumblatt is trying to undermine their peace effort, and Damascus may decide it must send more Syrian troops into Lebanon.

The US defense attaché in Damascus believes the Syrians may be making contingency preparations to intervene in Lebanon on a large scale. He feels that an intervention force might involve any one of Syria's five regular divisions or a task force of units from several divisions. Damascus also might use "defense" companies that are organized and equipped along regular military lines, but the attaché considers this less likely.

Some 2,000-3,000 Syrian regulars are already in Lebanon, integrated into units of the Palestine Liberation Army and the Saiqa fedayeen. These forces are restraining rebel Muslim army troops led by Lieutenant Khatib at Khaldah, south of Beirut, and forces headed by Jumblatt in the Alayh area east of the capital.

We have no indication of unusual Israeli military activity. Tel Aviv continues to monitor the situation in Lebanon closely, and we believe that any large-scale Syrian move into Lebanon could cause an Israeli reaction.

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The proposed constitutional amendment providing for the election of a new president--the key proposal in the Syrian peace plan--was sent to the Lebanese parliament yesterday. Ambiguity in the bill over the timing of the transfer of power from

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President Franjiyah to a newly elected president has prompted calls for a revision of the amendment. According to press reports, the parliament will try to convene tomorrow for final deliberation on the bill.

Leftist forces regained most of the hotel district yesterday, but fighting elsewhere in the capital appears to have subsided. The presidential palace at Babda came under artillery fire briefly.

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USSR

The Soviets are telling their domestic audience of Washington's dissatisfaction with some of Moscow's foreign policy moves and the adverse effect on Soviet-US relations. At the same time, Moscow continues to profess faith in the health and prospects of "detente."

Pravda carried a story on March 19 on US postponement of several meetings related to cooperative endeavors; Washington's displeasure over events in Angola was given as the reason. By way of response, the Soviets have quoted Senator Mansfield's statement that "threats" will not advance US interests, and they have reiterated their position that "detente" does not inhibit Soviet support of "progressive" forces in the world.

The Soviets have now altered their initial line on your decision not to use the word "detente." Although Moscow at first assured the Soviet public that this change was not important, it is now criticizing the concept of "peace through strength." A lead editorial in last week's New Times asked whether the phrase is not a throwback to cold war policies.

Moscow continues to publicize "evidence" that the majority in the US favor improved relations with the USSR. It portrays "anti-Soviet" sentiment in the US as a temporary election phenomenon which is proving unpopular with the voters and is destined to subside.

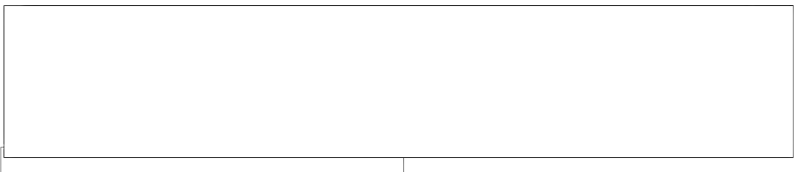
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PORTUGAL

Portugal's Revolutionary Council met yesterday to discuss postponing legislative elections, now scheduled for April 25. Most Council members were said to believe that at least a brief delay is justified.

The inability of the constituent assembly to complete the draft constitution on time and administrative difficulties have been cited as reasons for postponement. The election of the constituent assembly last year was delayed for two weeks, allegedly for technical reasons.



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Less politically minded officers--the so-called "operationals"--are willing to accept a delay of only about two weeks and reportedly have convinced nearly half of the Council members to support their position. The "operationals" believe a long delay would bring protests from moderate political parties and would call into question the military's real intentions as to its political role.

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USSR

The Soviet Union continues to grapple with the problems posed by the independent-minded Western Communist parties.

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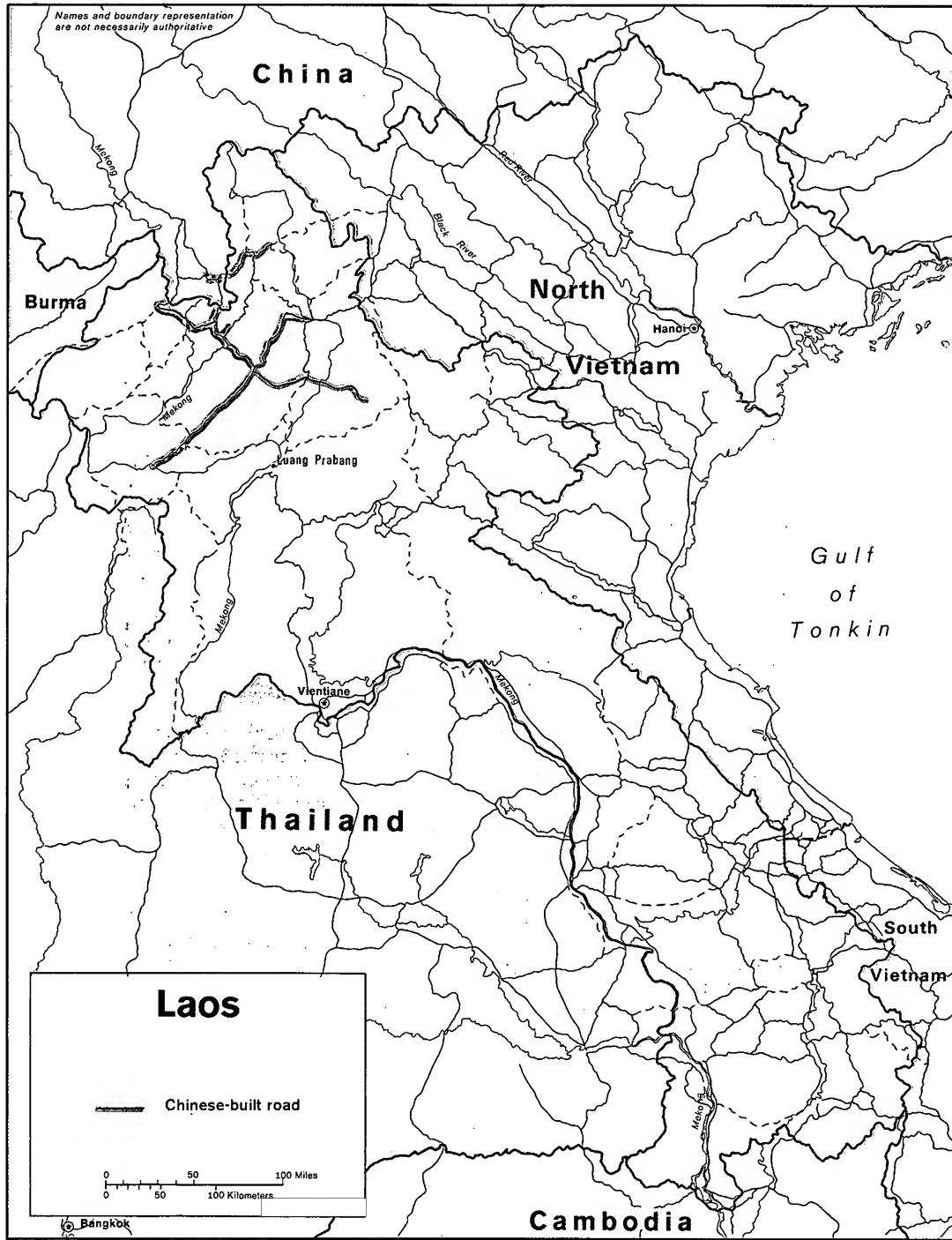
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Publicly, the Soviets and their East European allies are continuing to stress ideological orthodoxy, particularly the concept of proletarian internationalism which has become a catchword for Soviet primacy in the world movement and a barometer of pro-Sovietism among foreign parties.

By stating their positions sternly, the Soviets may hope to draw the reins somewhat tighter on the foreign parties, making them think twice before undertaking further acts of defiance and perhaps reminding their leaders that the USSR still has some supporters within the ranks of their parties. More important, the Soviets are determined to stifle any expectations among their own people or in Eastern Europe that the restlessness of some Western parties will lead to liberalization in the East.

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NOTES

China's red carpet treatment of a top-level Lao delegation to Peking was probably more important than substantive exchanges during the visit.

Chinese concern over Vientiane's friendly relationship with the Soviet Union and Vietnam as well as Lao sensitivity on this subject limited the likelihood of any significant accomplishment.

The visit did produce a new economic cooperation agreement providing for an "interest free" Chinese loan to Laos. This agreement presumably does not affect the status of the 18,000-man Chinese road building and security force that remains in northwestern Laos. Part of this force is constructing a road linking Luang Prabang with the road net built during the past eight years by the Chinese in northwest Laos.

* * *

President Sadat apparently is trying to reassure the Egyptian military and to head off any efforts by Soviet or Arab propagandists to stir up unrest over the country's military and economic problems.

Sadat has been touring cities in the canal area since March 16--two days after he announced abrogation of the Soviet-Egyptian friendship treaty--reviewing the progress of reconstruction and talking to military groups. In the course of his talks, he has charged that the price for Soviet arms has been a restriction on Egyptian political independence. He said his move toward economic liberalization and his efforts to diversify the sources of Egypt's arms will permit Cairo to secure "the most sophisticated weapons in the world." He implied that the task of rebuilding the military will be a lengthy process.

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The four African presidents who have been backing the black nationalists in Rhodesia are meeting today to consider the consequences of the breakdown in negotiations between Prime Minister Ian Smith and nationalist leader Joshua Nkomo.

Zambian President Kaunda is hosting a conference in Lusaka with presidents Nyerere of Tanzania, Machel of Mozambique, and Khama of Botswana to which rival Rhodesian nationalists have also been invited. The four presidents will again attempt to bring about a reconciliation between Nkomo, who gained control of the nationalist organizational structure inside Rhodesia last September, and the exiled nationalists who have been preparing an all-out military effort against Smith. The presidents may hope that a reunification of the rival nationalist groups will lend impetus to their efforts to build a unified liberation army.

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